Introduced by Assembly Member Haynes (Coauthor: Assembly Member Leslie)

February 11, 2003

An act to add and repeal Part 26.5 (commencing with Section 46700) to the Education Code, relating to education financing.

LEGISLATIVE COUNSEL'S DIGEST

AB 349, as introduced, Haynes. Compton Unified School District: education certificates.

Existing law establishes the public school system, imposes compulsory education requirements, and provides a funding mechanism based upon pupil attendance and other factors for the funding of primary and secondary education.

This bill would enact the California Education Certificate Pilot Program to require the State Department of Education to establish a program within the Compton Unified School District whereby, upon the request of parents, children may be provided with educational certificates to fund their attendance at participating public or private schools. The bill would establish a schedule to determine the value of the certificate, based upon a "face value" of 75% of the revenue limit per unit of average daily attendance, and would set the actual value of the certificate between 60% and 120% of its face value. The bill would require each public school within the Compton Unified School District to become a participating school, thereby imposing a state-mandated local program.

This bill would require the department to report to the Legislature on implementation of the pilot program by January 1, 2007. The bill would

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become inoperative on July 1, 2009, and would be repealed on January 1, 2010, unless a later enacted statute deletes or extends those dates.

The bill would make certain findings and declarations regarding the inapplicability of a general statute within the meaning of Section 16 of Article IV of the California Constitution.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. provisions establish procedures for making reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Part 26.5 (commencing with Section 46700) is added to the Education Code, to read: 2 3

PART 26.5. EDUCATION CERTIFICATE PILOT **PROGRAM**

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46700. (a) This part shall be known, and may be cited, as the California Education Certificate Pilot Program.

- (b) The purpose of this pilot program is to provide the 10 Legislature with sufficient information regarding the best method to maintain and improve the quality of elementary and secondary education by providing parents with the opportunity to exercise parental choice in the selection of schools for their children. 14 Parental choice fundamentally alters the dynamics of the educational system by allowing parents the right to decide what is best for their children.
 - (c) The State Department of Education shall establish a pilot program whereby children with educational certificates, requested by parents who reside in the Compton Unified School District,

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may be admitted to public or private schools within the Compton Unified School District participating in the pilot program.

- 46701. The Legislature finds and declares all of the following:
- (a) Elementary and secondary education is in crisis as evidenced by all of the following:
- (1) Many school children are performing significantly below relevant national standards.
- (2) Other school children are dropping out of school before completing the ordinary course of secondary education.
- (3) A substantial number of young people are leaving school without the basic skills and knowledge that will enable them to find and hold a job or otherwise function in society.
- (b) Some schools, however, are providing a better elementary and secondary education than others, as follows:
- (1) Pupils in these schools are performing near or above relevant national standards.
- (2) Pupils in these schools tend to remain in school until they complete the ordinary course of their secondary education.
- (3) Pupils leave these schools with the basic skills and knowledge that will enable them to find and hold jobs and otherwise function as productive members of society.
- (c) However, parents of schoolage children are frequently unable to enroll their children in schools that will provide them with a quality education. This inability is caused by the following:
- (1) Laws and regulations that limit parents freedom to select schools that they believe can provide their children with a quality education.
- (2) Parents lack influence over the educational policies and procedures of their children's schools.
 - (3) Parents lack funds to pay for a quality education.
- (d) An educational choice program would do all of the following:
- (1) Enable parents to select schools they believe will provide a quality education for their children.
- (2) Enable parents to influence educational policies and procedures of the schools their children attend.
- 38 (3) Provide parents with a portion of the funds necessary to pay for a quality education.

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1 (4) Better assist children to become productive members of 2 society.

- 46702. For purposes of this part, the following terms have the following meanings:
- (a) "Parent" means the natural or adoptive parent or legal guardian of a dependent child.
- (b) "Participating school" means a public or private school located in the Compton Unified School District that enters into an agreement with the State Department of Education in accordance with Section 46706.
- (c) "Private school" means a school that, except for certificates under this part, is not maintained with public funds, that charges tuition or fees for the services it provides, and that is in compliance with the laws of the state.
- (d) "Public school" means a school that is administered by the Compton Unified School District.
- (e) "School" means a school that is authorized to provide primary education, secondary education, or both within the Compton Unified School District.
 - (f) "Eligible private school" means any of the following:
- (1) A private school that has been operating for at least two years within the Compton Unified School District and meets certification standards pursuant to Section 46706.
- (2) A private school operating for less than two years that is located within the Compton Unified School District that meets certification standards pursuant to Section 46706 and obtains a letter of credit or bond for one-third of the total amount of funds to be received through acceptance of certificates provided for in this part. The letter of credit or bond shall, in the event of nonperformance, be payable to the State Department of Education.
- 46703. In order to achieve the purposes of this part, the State Department of Education shall initiate and carry out a pilot program in which the parent of each schoolage child within the Compton Unified School District receives from the State 36 Department of Education, upon request, a certificate that may be used for educational services at a participating school within the Compton Unified School District selected by the child's parent in accordance with this part.

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46704. (a) Each public school within the Compton Unified School District shall become a participating school. The responsible officials for each eligible private school within the Compton Unified School District shall decide whether that school shall become a participating school.

- (b) A participating school shall admit children with certificates who apply, up to the limit of the school's capacity, after reserving places for children admitted in accordance with the school's regular admissions practices.
- (1) A participating school shall establish criteria for the admission of children with certificates that are consistent with the admissions criteria that it regularly applies.
- (2) In the case of a participating public school, the State Department of Education shall establish criteria for the equitable allocation of places for children with certificates if there are insufficient places to serve all the children requesting those places.
- 46705. (a) A participating school shall enter into an agreement with the State Department of Education. The agreement shall provide that the participating school shall furnish a child who is accepted in the school and who tenders a certificate under the provision of this part, and, if applicable, a supplementary tuition payment required to satisfy any remainder of a participating school's tuition, an education equivalent to that provided to all other children in the school.
- (b) All or part of the supplementary tuition payment may be secured from the individual pupil's personal education account established pursuant to Section 46714.
- (c) The agreement shall also provide that the participating school shall meet the standards set forth in Section 46706. Schools that agree to meet the standards listed in Section 46706 shall be certified as participating schools.
 - 46706. (a) Participating schools shall do all of the following:
- (1) Provide a curriculum that includes, but need not be limited to, five core subjects: English, mathematics, science, history, and geography.
- 36 (2) Meet the minimum health and safety standards generally applicable to private schools.
 - (3) Disclose teacher credentials to parents.
 - (b) The State Department of Education shall require each public school and each participating private school to administer

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tests reflecting national standards for the purpose of measuring individual academic improvement. The tests shall be scored by independent parties. Each school's composite results for each grade level shall be released to the public. Individual results shall 5 be released only to the school and the child's parents.

- (c) Participating schools shall provide to the choice information center, established pursuant to Section 46712, information regarding all of the following:
 - (1) The school's participation in the certificate program.
 - (2) The school's program of instruction.
- (3) Achievement data regarding pupils attending the school, which may be stated in the aggregate.
 - (4) The incidence of illegal drug use.
 - (5) School discipline and safety.
- 46707. Participating private schools shall provide a summary 16 report to the State Department of Education on the allocation of funds. The report shall be for the purpose of demonstrating that no funds generated through the acceptance of the certificates, provided for in this part, are used for classes in religious instruction, and in no way constitute aid to any church, sect, or religious denomination or are in aid of any sectarian institution that is prohibited by state law.
 - 46708. (a) A parent of a child with a certificate may use the certificate for educational services at a participating school only if the child is admitted to the participating school.
 - (b) "Face value" for the purposes of this part means 75 percent of the revenue limit per unit of average daily attendance for the Compton Unified School District.
 - (c) Notwithstanding any provisions of law, including, but not limited to, paragraph (2) of subdivision (c) of Section 46713, a certificate may not be redeemed for more than the amount of the tuition and fees regularly charged by the participating school providing the educational services.
- 46709. (a) Any pupil in kindergarten to grade 12, inclusive, who resides within the Compton Unified School District, and who 35 is eligible to participate in the free lunch program, is an eligible 36 low-income pupil, entitled to the enhanced tuition allowances as set forth in Section 46713.

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(b) The purpose of this section is to grant to low-income families an equal opportunity of educational choices by making private schools a feasible option.

- 46712. (a) The State Department of Education shall establish and maintain a choice information center to provide information and assistance to parents in selecting a school. The center shall provide information on all participating schools and shall include all information obtained pursuant to Section 47606.
- (b) The State Department of Education shall publish and make available to all parents who reside in the Compton Unified School District a list of all local participating schools.
- 46713. (a) A parent of a child with a certificate shall present the certificate to the participating school that the child attends. The participating school shall present the certificate for payment or redemption to the State Department of Education.
- (b) A participating public school shall be subject to all of the following:
- (1) It shall receive, in addition to its regular budget, funds equal to the face value of a certificate for each pupil who transfers into the respective participating public school upon presentation of a certificate to the State Department of Education.
- (2) It shall reduce its budgeted funds by an amount equal to the face value of a certificate for each resident school district pupil who transfers from the respective participating public school.
- (c) (1) Except as set forth in paragraph (2), for the first school year after the effective date of this part, the actual value of a certificate a participating private school shall receive shall be equal to 60 percent of the face value of a certificate, for each certificate presented to the respective participating private school. Each subsequent school year, the percentage of the actual value of a certificate received by a participating private school shall increase by 10 percent of the face value until the fifth school year of participation, at which time the actual value shall equal 100 percent of the face value.
- (2) For the first school year after the effective date of this part, a participating private school shall receive 100 percent of the face value of the certificate for the redemption of the certificate tendered by an eligible low-income pupil, pursuant to Section 46709. The actual value of this certificate shall increase by 10 percent of the face value for each consecutive school year after the

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 effective date of this part, up to the third consecutive school year, when the actual value shall reach 120 percent of the face value of the certificate and, thereafter, shall remain at that level for those participating pupils.

46714. If a participating private school charges tuition less than the actual value of the certificate for each individual pupil, the State Department of Education shall hold one-half of the balance of the actual value of the certificate in a personal education account in that pupil's name, to be used to supplement later kindergarten to grade 12, inclusive, tuition, or to defray the cost of postsecondary education for that pupil. The remaining one-half of the balance of the actual value of that certificate shall be deposited into the Compton Unified School District's general operating fund to be spent in accordance with the desires of the governing board of the school district.

46715. The governing board of the Compton Unified School District may establish independent "public schools of excellence" and may adopt specific admission requirements, without regard to pupil residence, for the schools, so long as the district governing board, in addition, maintains a uniform system of free public schools for all children within the school district, in accordance with the California Constitution.

46716. (a) Except in the case of subdivision (b), a participating school shall not be obligated to provide transportation for a child residing outside of the participating school's resident school district. However, the school may provide transportation as a service.

(b) The district school board shall provide transportation for all eligible low-income pupils, pursuant to Section 46709, admitted to a "public school of excellence" pursuant to Section 47615.

46717. Private schools shall be accorded maximum flexibility to educate their pupils and shall be free from unnecessary, burdensome, or onerous regulation. No regulation of private schools, certificate-redeeming or not, beyond that required by this part and which applied to private schools, immediately preceding January 1, 2004, shall be issued or enacted, unless approved by three-fourth vote of the Legislature or, alternatively, as to any regulation pertaining to health, safety, or land use imposed by any county, city, district, or subdivision of the state, a majority vote of qualified electors within the affected jurisdiction. In any legal

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proceeding challenging a regulation as inconsistent with this section, the governmental body issuing or enacting it shall have the burden of establishing that the regulation meets all of the following:

- (a) Is essential to ensure the health, safety, or education of pupils.
- (b) Does not unduly burden private schools or the parents of pupils.
- (c) Will not harass, impede, injure, or suppress private schools. 46718. (a) The department shall report to the Legislature regarding the implementation of this part by January 1, 2007.
- (b) This part shall become inoperative on July 1, 2009, and, as of January 1, 2010, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2010, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 2. Due to the unique circumstances concerning the Compton Unified School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.
- SEC. 3. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- SEC. 4. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.